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## Ex Parte

Ms. Magalie Roman Salas Secretary Federal Communications Commission 445 12<sup>th</sup> St., S.W. – Portals Washington, DC 20554

> <u>RE: Application by Verizon New England Inc., et al., for Authorization To Provide In-</u> Region, InterLATA Services in Massachusetts, Docket No. 01-9

Dear Ms. Salas:

This letter responds to requests from staff for clarification concerning Verizon's trunking measures, and the trunking performance reported in the Carrier-to-Carrier reports and described in Verizon's application.

In its initial application, Verizon indicated that the quality of interconnection trunking should be evaluated on the basis of trunk utilization information ("trunks required" versus "trunks in service") reflecting actual call data. For a specific trunk group, "trunks required" is the calculation of the number of trunks needed to provide service at the standard engineering design of B.005, based on the actual traffic loads carried by the trunk group, during the study period. "Trunks in service" is the number of trunks in operation during that period. Overall trunk utilization information thus provides an accurate picture of how well Verizon is providing additional call capacity for dedicated final CLEC interconnection trunks as compared to common final trunks within Verizon's own network by including the proportional effects of small and large trunk groups, as well as variations in the amount of actual blockage experienced on individual trunk groups. See Lacouture/Ruesterholz Decl. ¶¶ 24-26.

As of July 2000, the ratio of "trunks required" to "trunks in service" was 33.4 percent for CLEC dedicated final trunk groups and 68.0 percent for Verizon's own common final trunk groups. See Lacouture/Ruesterholz Decl. ¶ 27. In August 2000, the trunk utilization ratio for dedicated final trunk groups from Verizon to CLECs was 28.7 percent and for Verizon's own common final trunk groups was 63.7 percent. See Lacouture/Ruesterholz Reply Decl. ¶ 11. In September 2000, the trunk utilization ratio for dedicated final trunk groups from Verizon to CLECs was

31.6 percent and for Verizon's own common final trunk groups was 71.6 percent. *See* Lacouture/Ruesterholz Reply Decl. ¶ 12.

The final trunk group utilization percentages for the months of October, November, December and January (shown below) continue to reflect the significantly better service Verizon is providing to CLECs' dedicated final trunk groups as compared to its own common final trunk groups.

	CLEC Dedicated Final	VZ-MA Common Final
October 2000	33.1	71.1
November 2000	35.8	70.4
December 2000	34.9	67.5
January 2001	38.0	72.7

As the Carrier-to-Carrier (C2C) reports indicate, however, it is inappropriate to compare CLEC dedicated final trunk groups to Verizon common final trunk groups for measures NP-1-01 and NP-1-02. As shown on the C2C reports ("Standard" column), the standard for these measures is not "parity." Instead, the Standard column notes "See Guidelines." See, e.g., Guerard/Canny Decl., Att. E, pages 13, 27, 41 of 42. The Guidelines explain that the "Verizon" final trunk groups are, in fact, common final trunk groups. That is, they carry local traffic, including both Verizon and CLEC end user calls, between a Verizon end office and a Verizon tandem switch. For this reason, performance on these trunk groups is at parity by definition – that is, any blockage will affect both Verizon and CLECs equally. See Guerard/Canny Decl., Att. B, page 75 of 101. As a result, the Performance Assurance Plan focuses on measures related to CLEC "dedicated final trunk groups" – trunk groups carrying traffic from a Verizon tandem switch to the CLEC's switch – which do not even show a "retail" column (measures NP-1-03 and NP-1-04). See Guerard/Canny Decl., Att. C, Exh. 1, page 7 of 13; Guerard/Canny Reply Decl., Att. E, page 56 of 104.

These final trunk groups are designed to experience an acceptable (exceptionally low) level of blocked calls during the busy hour of the day. Verizon's final trunk groups carrying interconnection traffic to the CLECs are engineered using industry standard B.005 blocking tables. See Guerard/Canny Decl. ¶ 111. This means that, during the busy hour, no more than one call in 200 (0.5%) should be "blocked" on these trunk groups. It is important to note that "blocking" means that a call may not go through at the moment it is placed. But if the caller hangs up and immediately tries the call again, in all likelihood the call will go through. (An example may be the recording received by the caller on a long distance call that "All circuits are busy; please try your call later." By hanging up and immediately re-dialing, in most cases, the call will go through.)

Actions by both Verizon and the CLECs are required to prevent trunk groups from exceeding their engineered B.005 design and to take corrective action when they do. The Network Performance measurements included in the Carrier-to-Carrier Guidelines relate to trunks Verizon

must order from the CLEC. Verizon monitors dedicated final trunk groups (carrying traffic from Verizon to the CLEC). If Verizon determines that additional trunk capacity is needed, based on the performance of the trunk group, the historical traffic trend, CLEC specific input (when provided) and engineering judgment, Verizon issues a request to the CLEC to add more trunk capacity. Such additional trunk capacity could include augmenting the dedicated final trunk group or installing direct end office trunk groups to reduce the number of calls routed to the dedicated final trunk group. Verizon is dependent on the CLEC for expeditious processing of the trunking request. See Guerard/Canny Decl. ¶ 113.

Moreover, because Verizon is not aware of CLEC marketing plans, historical trend data alone may not allow Verizon adequately to predict the quantities of trunks that will be needed. The CLEC must add what it knows about unusual events, such as the addition of a new Internet Service Provider, to the trend data. In these situations, only the CLEC – not Verizon – has sufficient knowledge of its plans to prevent a dedicated final trunk group from exceeding the engineering B.005 design. Because of the CLECs' role in forecasting trunking needs, provisioning additional trunks, and ensuring sufficient trunk capacity, sustained call blocking above the engineering B.005 design level on the same trunk group provides a better representation of Verizon's performance than does a single month's report (which could be caused by a one-time aberration, such as a snowstorm, thereby causing unusually high call volumes). Therefore, Verizon reports the number of dedicated final trunk groups that exceed their engineered B.005 design for two consecutive months, and for three consecutive months, and these are the measures included in the Performance Assurance Plan. See Guerard/Canny Decl. ¶¶ 114-115.

The NP-1 measures are based on monthly trunk group studies. Based on data collected throughout the day, Verizon determines the busy hour for each trunk group and records any blockage during that busy hour. Verizon performs monthly trunk group studies measuring actual busy hour blockage on both common and dedicated final trunk groups using the same underlying systems, processes and methods that have been used to engineer and monitor trunks in its network for years. Data collected in a single study period to monitor trunk group performance is a sample and is subject to statistical variation based upon the number of trunks in the group and the number of valid measurements. With this variation, for any properly engineered trunk group, the measured blocking for a trunk group for a single study may exceed the design-blocking threshold. See Guerard/Canny Decl., Att. B, page 75 of 101. Moreover, it is possible that a trunk group measured as exceeding its engineering design two months in a row is simply reflecting a trunk group for which studies overlap the end of one month and the beginning of the next. For this reason, a more reliable measure is the number of final trunk groups exceeding their engineering design for three months in a row (NP-1-04).

As is clear from the Carrier-to-Carrier reports for October, November, and December, the number of dedicated final trunk groups that exceed their engineering design for three months in a row is very low – one out of nearly 300 trunk groups in each month. This represents less than half a percent of the CLEC final trunk groups in service – that is, 99.5% or more of dedicated final trunk groups do not operate over their B.005 engineering design for three months in a row. Moreover, as described above, "blocking" does not mean that no calls are going through. Rather, it means that, during the busy hour, fewer than 199 out of 200 calls on these particular

trunk groups are going through on the first try. Many more calls are being carried on direct end office, or high usage trunks. See Guerard/Canny Decl., Att. B, page 95 of 101. As also described above, this "blocking" is no more than an instantaneous inconvenience to the caller – if he or she immediately tries the call again it is likely to go through. As a result, this "blocking" is not competitively significant.

Please let me know if you have any questions. The twenty page limit does not apply as set forth in DA 01-106.

Sincerely,

cc:

S. Cameron

M. Carey

E. Einhorn

K. Farroba

C. Pabo

S. Pie

D. Shiman